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FORM 10-Q
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

QUARTERLY REPORT UNDER SECTION 13 or 15(d)
of the Securities Exchange Act of 1934

For quarter ended March 31, 1992 Commission file number 0-11689

Norcap Financial Corporation
(Exact name of registrant as specified in its charter)

Arizona	86-0292751
(State or other jurisdiction of incorporation or organization)	IRS Employer Identification No.
8300 North Hayden Road, Suite 209 Scottsdale, Arizona (Address of principal executive offices)	85258 (Zip Code)

(602)998-1655
(Registrant's Telephone Number)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes X No

Indicate by check mark whether the registrant has filed all documents and reports required to be filed by Sections 12, 13, or 15(d) of the Securities Exchange Act of 1934 subsequent to the distribution of securities under a plan confirmed by a court. Yes X No

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

Outstanding at March 31, 1992	Class
13,646,087	Stock, No par value

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NORCAP FINANCIAL CORPORATION AND SUBSIDIARIES
COMMISSION FILE NUMBER 0-11689
FORM 10-Q
MARCH 31, 1992

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Item 1 - Financial Statements

NORCAP FINANCIAL CORPORATION AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS

	(UNAUDITED) MARCH 31, 1992	(UNAUDITED) JUNE 30, 1991
ASSETS		
Cash and cash items	$22,289	$33,601
Receivables:		
Due from customers	34,623	27,498
Other receivables	43,171	44,945
Notes receivable - current portion	344,173	349,173
Allowance for doubtful accounts	(129,984)	(129,984)
	314,272	325,233
Investments	477,063	481,008
Furniture, fixtures, and equipment, net	7,484	13,709
Other assets	423	0
Goodwill	61,200	62,400
	$860,442	$882,350
LIABILITIES & STOCKHOLDERS' EQUITY		
Accounts payable	$30,088	$23,013
Deferred revenue	0	3,142
Notes payable to related entities	46,000	14,000
Accrued salaries	157,000	82,000
Other accrued liabilities	2,281	2,460
Due to stockholder	5,693	5,693
Current portion of partnership contributions	30,880	30,880
Current portion of notes payable	0	4,041
	271,942	165,229
Commitments and contingencies		
Partnership contributions less current portion	164,900	164,900
Long-term debt	276,217	309,920
Minority interest in consolidated entities	32,186	31,566
Stockholders' equity:		
Preferred Stock, (5,000,000 no par shares authorized, none issued and outstanding)	0	0
Common Stock (50,000,000 no par shares authorized, 13,646,087 outstanding at March 31, 1992 and June 30, 1991)	5,716,846	5,716,846
Accumulated deficit since November 25, 1983	(5,601,649)	(5,506,111)
TOTAL LIABILITIES & STOCKHOLDERS' EQUITY	$860,442	$882,350

NORCAP FINANCIAL CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF OPERATIONS
(UNAUDITED)

	NINE MONTHS ENDED MARCH 31,	
	1992	1991
Revenue:		
Management fees	$127,159	$254,359
Interest income	1,349	5,431
Other income (loss)	21,241	6,041
TOTAL REVENUE	149,749	265,831
Costs and expenses:		
Management fees	0	4,849
Operating costs	245,829	300,854
Provision for doubtful accounts	0	8,322
TOTAL EXPENSES	245,829	314,025
NET INCOME (LOSS) BEFORE TAXES AND MINORITY INTEREST	(96,080)	(48,194)
Minority interest in income (loss) of consolidated partnerships	542	(1,859)
NET INCOME (LOSS)	($95,538)	($50,053)
Per share amounts:		
Net Income (Loss)	($0.01)	($0.01)
Weighted average number of shares outstanding	13,646,087	8,938,962

NORCAP FINANCIAL CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF OPERATIONS
(UNAUDITED)

	THREE MONTHS ENDED MARCH 31,	
	1992	1991
Revenue:		
Management fees	$13,334	$93,251
Interest income	326	319
Other income (loss)	7,335	(3,589)
TOTAL REVENUE	20,995	89,981
Costs and expenses:		
Management fees	0	0
Operating costs	36,830	106,895
Provision for doubtful accounts	0	0
TOTAL EXPENSES	36,830	106,895
NET INCOME (LOSS) BEFORE TAXES AND MINORITY INTEREST	(15,835)	(16,914)
Minority interest in income (loss) of consolidated entities	0	0
NET INCOME (LOSS)	($15,835)	($16,914)
Per share amounts:		
Net Income (loss)	($0.00)	($0.00)
Weighted average number of shares outstanding	13,646,087	13,646,087

NORCAP FINANCIAL CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF CASH FLOWS
(UNAUDITED)

	NINE MONTHS ENDED MARCH 31,	
	1992	1991
Cash Flows from Operating Activities:		
Net Income (Loss)	($95,538)	($50,053)
Adjustments to reconcile net income (loss) to net cash used in operating activities:		
Depreciation	2,992	3,294
Amortization	1,200	1,200
(Increase) Decrease in due from customers	(7,125)	2,250
(Increase) Decrease in other receivables	1,774	28,792
(Increase) Decrease in notes receivable	5,000	(84,429)
Increase in allowance for doubtful accounts	0	17,954
(Increase) Decrease in prepaid expenses & deposits	0	37,333
Decrease in other assets	(423)	1,702
Increase (Decrease) in accounts payable	7,075	(6,590)
(Decrease) in deferred revenue	(3,142)	(16,254)
Increase (Decrease) in accrued liabilities	74,821	36,980
Increase (Decrease) in due to stockholder	0	0
Increase (Decrease) in minority interest	620	(5,031)
Total adjustments	82,792	17,201
Net cash used in operating activities	(12,746)	(32,852)
Cash flows from investing activities:		
(Purchase) disposition of equipment	3,233	(2,762)
(Increase) Decrease in investments	3,945	(74,859)
Payments made for limited partnership investments	0	(28,800)
Net cash used in investing activities	7,178	(106,421)
Cash flows from financing activities:		
Proceeds from loans	0	70,200
Payments (made to) received from related parties	32,000	5,500
Payments made on loans	(37,744)	(1,211)
Net cash provided by financing activities	(5,744)	74,489
Net increase (decrease) in cash	(11,312)	(64,784)
Cash at beginning of period	33,601	84,308
Cash at end of period	$22,289	$19,524

NORCAP FINANCIAL CORPORATION AND SUBSIDIARIES
NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)

1. The accompanying unaudited condensed consolidated financial statements have been prepared in accordance with generally accepted accounting principles for interim financial information and with the instructions to Form 10-Q and Rule 10-01 of Regulation S-X. Accordingly, they do not include all of the information and footnotes required by generally accepted accounting principles for complete financial statements. In the opinion of management, all adjustments considered necessary for a fair presentation have been included. Operating results for the three-month period ended March 31, 1992, are not necessarily indicative of the results that may be expected for the year ended June 30, 1992.

2. PER SHARE AMOUNTS:

Per share amounts are computed based upon the weighted average number of shares outstanding for each period presented.

Item 2 - MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

LIQUIDITY AND CAPITAL RESOURCES

Operations of the Company are primarily financed with internally generated liquid assets (cash and receivables less current liabilities of approximately $40,000 at March 31, 1992).

In consideration of the reductions in liquid assets of the Company, the Board of Directors and management of the Company have continued to explore the possibilities of obtaining financing (through the private placement of convertible notes, merger, or the issuance of capital stock for cash or assets) should it be necessary to cover current operating expenses or accommodate anticipated growth. However, management cannot provide any assurance at this time that any of these possibilities for raising additional funds will occur.

The current non-capital intensive nature of the organization does not require the maintenance of large cash balances. Current operations of the Company include some recurring debt obligations in connection with certain limited partnerships of which a subsidiary of the Company is a general partner. A significant portion of the Company's expenditures are made in the form of

compensation in direct relationship to revenues earned. Accordingly, fluctuations in activity generally do not materially impact the liquidity of the Company.

The Company has no present material commitments for capital expenditures or substantial commitments for expenditures for diversification. Financial resources are limited, and there is no assurance that financing will be available should it become necessary. It is management's belief that the Company's present capital and potential resources will permit the Company to meet its obligations on a timely basis and will provide the working capital required to sustain its present level of operations.

The market for the Company's product, i.e. pre-development or partially developed land, is soft and the ability for the Company to make a profit on such anticipated transactions is dependent upon external factors such as population growth, interest rates and general economic conditions.

The Company is affected by inflation, which can cause increases in interest rates, the price of land, and operating expenses. However, inflation does not appear to have a material impact on the Company's business.

RESULTS OF OPERATIONS

In the third quarter of fiscal 1992, the Company had a net loss of approximately $16,000 compared to a loss of $17,000 for the same quarter in fiscal 1991.

Revenue for the three months ended March 31, 1992 was approximately $21,000 compared to approximately $90,000 for the three months ended March 31, 1991. This decrease was due to the loss in revenue from the Raemarc transaction in the second quarter of fiscal 1992. The accounting treatment for Raemarc was changed from the consolidation method, which includes revenue and expenses in operations, to the equity method which includes their share of net income. In the third quarter of fiscal 1991 Raemarc had revenue of $68,000.

During the third quarter of fiscal 1992, operating costs decreased to approximately $37,000 compared to approximately $107,000 for the similar period in fiscal 1991. The reason for the decrease was due to the Raemarc transaction. In the third quarter of fiscal 1991 Raemarc had operating costs of $59,000.

PART II OTHER INFORMATION

Item 1. LEGAL PROCEEDINGS

Items 2, 3, 4, and 5.

Not applicable.

Item 6. EXHIBITS AND REPORTS ON FORM 8-K

(a) Exhibits - None

(b) Reports on Form 8-K

None

SIGNATURES

Pursuant to the requirements of the Securities and Exchange Act of 1934, the Company has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

NORCAP FINANCIAL CORPORATION

(Registrant)

Date: May 29, 1992

Lawrence M. Siegler
Chief Financial Officer
Treasurer
(Duly Authorized Officer)